



**CALIFORNIA STATE
PUBLIC WORKS BOARD**

ARNOLD SCHWARZENEGGER, GOVERNOR

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STATE PUBLIC WORKS BOARD

March 25, 2005

SPECIAL MEETING MINUTES

PRESENT:

Mr. Dave Harper, Deputy Director, Department of Finance
Ms. Cindy McKim, Chief Financial Officer, Department of Transportation
Mr. Barry Hemphill, Director, Department of General Services
Ms. Cindy Aronberg, Deputy Controller, State Controller's Office
Mr. Francisco Lujano, Director, Securities Management Division, State Treasurer's Office

ADVISORY MEMBER:

Director, Employment Development Department

LEGISLATIVE ADVISORS:

Assembly Member
Assembly Member Wilma Chan
Assembly Member Lloyd E. Levine
Senator Gilbert Cedillo
Senator Wesley Chesbro
Senator Carole Migden

STAFF PRESENT:

Theresa Gunn, Assistant Administrative Secretary, State Public Works Board
Deborah Cregger, Legal Counsel, State Public Works Board
Peggy Palmertree, Acting Executive Secretary, State Public Works Board
Peter Brown, Budget Analyst, Department of Finance

OTHERS PRESENT:

Jim Rogaski, California Community Colleges

CALL TO ORDER AND ROLL CALL:

Mr. Harper, Chairperson, Deputy Director, Department of Finance at 10:00 am called the meeting to order. Ms. Theresa Gunn, Administrative Secretary for the State Public Works Board called the roll. A quorum was established.

BOND ISSUES:

Ms. Gunn stated that there was one bond item.

Bond Item #1, University of California, UC Irvine Campus, CAL (IT) 2 Facility at Irvine; UC San Diego Campus, CAL (IT) 2 Facility at San Diego; and UC San Francisco, California Institute for Biogengineering, Biotechnology and Quantitative Biomedical Research (QB 3) Building at Mission Bay. If approved, the requested action will authorize the sale of lease revenue bonds for these projects and approve the forms of the documents that are specified in the resolution. The maximum par value of the bonds for this series will be no more than \$160 million and the maximum true interest cost will not exceed 6 percent. Staff recommends adoption and approval of the resolution.

A motion was made by Ms. Aronberg and Second by Mr. Hemphill to approve Bond Item #1.

Bond Item #1 was approved by a 5-0 vote.

CONSENT CALENDAR:

Ms. Gunn stated that in summary, the Consent Calendar covers Items #2 through #6 proposes: five requests to approve preliminary plans.

There were no 20-day letters.

Staff recommends approval of the Consent Calendar Items #2 through #6.

A motion was made by Mr. Hemphill and Second by Ms. McKim to adopt the Consent Calendar Items #2 through #6.

The Consent Calendar was adopted by a 3-0 vote.

OTHER BUSINESS:

Ms. Gunn stated there was no other business.

NEXT MEETING:

Ms. Gunn stated that the next regularly scheduled meeting is set for Friday, April 8, 2005, at 10:00 am, at the State Capitol in Room 112.

Having no further business, the meeting was adjourned at 10:03 a.m.

BOND ITEM

BOND ITEM – 1

**UNIVERSITY OF CALIFORNIA (6440)
UC IRVINE CAMPUS, ORANGE COUNTY
CAL (IT) 2 FACILITY AT IRVINE**

Authority: Chapter 3 of the Statutes of 2002, Third Extraordinary Session

**UNIVERSITY OF CALIFORNIA (6440)
UC SAN DIEGO CAMPUS, SAN DIEGO COUNTY
CAL (IT) 2 FACILITY AT SAN DIEGO**

Authority: Chapter 3 of the Statutes of 2002, Third Extraordinary Session

**UNIVERSITY OF CALIFORNIA (6440)
UC SAN FRANCISCO CAMPUS, SAN FRANCISCO COUNTY
CALIFORNIA INSTITUTE FOR BIOENGINEERING, BIOTECHNOLOGY AND
QUANTITATIVE BIOMEDICAL RESEARCH (QB 3) BUILDING AT MISSION BAY**

Authority: Chapter 3 of the Statutes of 2002, Third Extraordinary Session

a. Adopt a resolution to:

1. Authorize the sale of the State Public Works Board Lease Revenue Bonds—The Regents of the University of California, 2005 Series C, Various University of California Projects.
2. Approve the form of and authorize the execution of a Supplemental Indenture or Indenture, as necessary, between the State Treasurer and the State Public Works Board.
3. Approve the form of Site Lease (or “Space Lease”) and authorize the execution of Site (or “Space”) Leases between the University of California and the State Public Works Board.
4. Approve the form of a Facility Lease (or “Facility Space Lease”) and authorize the execution of Facility (or “Facility Space”) Leases between the University of California and the State Public Works Board.
5. Approve the form of and authorize the execution of a Continuing Disclosure Agreement.
6. Approve the form and authorize the execution and delivery of a Preliminary Official Statement.
7. Approve and authorize the execution and delivery of an Official Statement.
8. Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.

TOTAL ESTIMATED PROJECT COSTS:

\$130,317,000

APPROVED:

5/0

BOND ITEM

STAFF ANALYSIS – 1

University of California
CAL (IT) 2 Facility at Irvine
CAL (IT) 2 Facility at San Diego
California Institute for Bioengineering, Biotechnology, and
Quantitative Biomedical Research (QB 3) Building at Mission Bay

Action Requested

The requested action would authorize the sale of the lease revenue bonds and other related actions in connection with the issuance, sale, and delivery of said revenue bonds, including approving the forms of and authorizing the execution and delivery of a supplemental indenture, space leases, facility space leases, a continuing disclosure agreement, a preliminary official statement, and an official statement.

Scope Description

These projects are within scope.

The State Public Works Board ("Board") and the UC Regents ("The Regents") are jointly funding three research buildings for the California Institutes for Science and Innovation ("Institutes") at three U.C. campuses. These Institutes represent a multi-disciplinary effort that focuses public and private resources and expertise simultaneously on various research areas.

Due to the variety and nature of The Regent's funding sources for these buildings, including U.C. bond financing and private donations, the Board is taking only a portion of each building as security for the lease revenue bonds. However, the value of the Board's leased area in each building is sufficient to secure the repayment of the bonds.

Irvine Campus, Cal (IT) 2 Research Building

The Board project represents a portion of a new research building to house the UC Irvine component of the California Institute for Telecommunication and Information Technology ("Cal(IT)2"). The Research Building includes specialized laboratory spaces including clean rooms; research office, group research, and office support space; administrative office space; an auditorium, meeting rooms and public lobby areas. The Board project consists of 50,943 assignable square feet (asf) within the Research Building (floors 2, 3, and 4, consisting of research lab and office space). The project funded by The Regents consists of 17,757 asf within the Research Building [floor 1 (the clean room facility and conference facility with auditorium and breakout space)]. Both the Board and The Regents fund the common areas in the Research Building.

San Diego Campus, Cal (IT) 2 Research Building

The Board project represents a portion of a new research building to house the UC San Diego component of the California Institute for Telecommunications and Information Technology. The Research Building includes clean rooms; research office, group research and office support space; administrative office space; and an auditorium, meeting rooms and public lobby areas. The project funded by the Board consists of 96,000 asf within the Research Building [floors 2-6 (dry research laboratory space and office/administration space)]. The project funded by The Regents consists of approximately 32,000 asf within the Research Building [floor 1 (clean room area and specialized assembly spaces; dry research laboratory space, and office/administrative space)]. Both the Board and The Regents fund the common areas of the Research Building.

California Institute for Bioengineering, Biotechnology and Quantitative Biomedical Research (QB 3) Building at Mission Bay

The Board project represents a portion of a new research building to house the UC San Francisco component of the California Institute for Bioengineering, Biotechnology and Quantitative Biomedical Research (QB3). The Research Building includes dry research laboratories; research laboratory support and administrative space; specialized imaging laboratories; instructional space and logistical support space. The project funded by the Board is comprised of approximately 53,000 asf within the Research Building [floors 3 and 4 (wet and dry research laboratory space, and office/administration space); and a portion of floor 2 (office/administration and dry research laboratory space)]. The project funded by The Regents consists of 42,000 asf within the Research Building [floors 1 and 5 (wet and dry research laboratory space, imaging facilities, and office/administration space); and a portion of floor 2 (wet research laboratory space)]. Both the Board and The Regents funds the common areas of the Research Building.

Funding and Project Cost Verification

These projects are within cost.

Irvine Campus Cal (IT) 2

\$54,300,000 total estimated cost of Research Building

\$25,227,000 Board Project costs from lease-revenue financing

San Diego Campus Cal (IT) 2

\$102,500,000 total estimated cost of Research Building

\$58,890,000 Board Project costs from lease-revenue financing

California Institute for Bioengineering, Biotechnology, Biotechnology and Quantitative Biomedical Research (QB 3) Building at Mission Bay

\$100,000,000 total estimated cost of Research Building

\$46,200,000 Board Project costs from lease-revenue financing

CEQA

The University certifies that the project is in compliance with CEQA.

Project Schedule

The project schedules are as follows:

Irvine Campus, Cal (IT) 2 Facility

Construction of the Research Building completed: November 2004

San Diego Campus, Cal (IT) 2 Facility

Construction of the Research Building to be completed: June 2005

California Institute for Bioengineering, Biotechnology and Quantitative Biomedical Research
(QB 3) Building at Mission Bay

Construction of the Research Building completed: February 2005

Other

The forms of the documents used for these transactions vary somewhat from the Site Lease and Facility Lease normally used in Board financings due to the fact that the Board is securing only a portion of each Research Building. Thus, the Site Lease is modified and called a Space Lease, in which The Regents lease to the Board the airspace in which the Board's Project is constructed. The Board then leases back to The Regents this space with the constructed Project pursuant to a "Facility Space Lease," which represents a modification to the traditional Facility Lease. The Space Lease and Facility Space Lease serve the same function, however, as the Site Lease and Facility Lease, respectively, for purposes of ensuring that the Board has the rights and remedies necessary to have beneficial use and occupancy of a sufficient portion of each Research Building to provide security for the Board's bonds.

Staff Recommendation: Adopt resolution.

CONSENT ITEM

CONSENT ITEM – 2

CALIFORNIA COMMUNITY COLLEGES (6870)
LOS RIOS COMMUNITY COLLEGE DISTRICT
AMERICAN RIVER COLLEGE, SACRAMENTO COUNTY
Fine Arts Modernization

Authority: Chapter 208/04, Item 6870-301-6041 (28)

a. **Approve preliminary plans**

APPROVED:
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 2

Los Rios Community College District
American River College, Sacramento County
Fine Arts Modernization

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The authorized scope renovates the performing arts area of the Fine Arts Building by updating the building's systems and reconfiguring space for efficiency, improved circulation and access compliance. Design refinements have caused minor space changes and the project will result in 5,844 assignable square feet (asf) of laboratory, 878 asf of office, and 9,361 asf of theatre art spaces.

Funding and Project Cost Verification

The project is within cost.

\$5,374,000 total authorized project costs

\$5,374,000 total estimated project costs

\$3,546,000 state project costs to be allocated: construction \$3,546,000 (\$3,027,000 contracts; \$254,000 contingency; \$265,000 construction management, administration, testing and inspection) at CCI 4100

\$165,000 local project costs previously allocated: preliminary plans \$165,000

\$1,663,000 local project costs to be allocated: working drawings \$160,000; construction \$600,000 (\$600,000 contracts) at CCI 4100 and equipment \$903,000 at EPI 2564

CEQA

A Categorical Exemption was filed with the State Clearinghouse (#2005018313) on January 26, 2005 and the response period has expired.

Due Diligence

Community college districts are local entities and the State does not have title to their real property, hence districts acknowledge that they have full responsibility for clearing due diligence issues for general obligation bond projects.

Project Schedule

The project schedule is as follows:

Complete working drawings:	February 2005
Award contract:	March 2005
Project Completion:	August 2006

Staff Recommendation: Approve Preliminary Plans.

CONSENT ITEM

CONSENT ITEM – 3

CALIFORNIA COMMUNITY COLLEGES (6870)
SAN LUIS OBISPO COUNTY COMMUNITY COLLEGE DISTRICT
NORTH COUNTY CENTER, SAN LUIS OBISPO COUNTY
Technology and Trades Complex

Authority: Chapter 208/04, Item 6870-301-6041 (50)

a. **Approve preliminary plans**

APPROVED:
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 3

San Luis Obispo County Community College District
North County Center, San Luis Obispo County
Technology and Trades Complex

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The authorized scope of this project constructs a new 17,480 assignable square feet (asf) Technology and Trades Complex at the North County Center. The project includes 2,575 asf lecture, 13,450 asf laboratory, and 1,455 asf office space.

Funding and Project Cost Verification

The project is within cost.

\$7,940,000 total authorized project costs

\$7,940,000 total estimated project costs

\$7,686,000 state project costs to be allocated: working drawings \$266,000; construction \$6,671,000 (\$5,924,000 contracts; \$296,000 contingency; \$451,000 construction management, administration, testing and inspection) at CCI 4019; and equipment \$749,000 at EPI 2564

\$254,000 state project costs previously allocated: preliminary plans \$254,000

CEQA

A Negative Declaration was filed with the State Clearinghouse on October 28, 2002 and the response period has expired.

Due Diligence

Community college districts are local entities and the State does not have title to their real property, hence districts acknowledge that they have full responsibility for clearing due diligence issues for general obligation bond projects.

Project Schedule

The project schedule is as follows:

Complete working drawings: June 2005

Award contract: October 2005

Complete construction: June 2007

Staff Recommendation: Approve Preliminary Plans.

CONSENT ITEM

CONSENT ITEM – 4

CALIFORNIA COMMUNITY COLLEGES (6870)
SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT
COLLEGE OF SAN MATEO, SAN MATEO COUNTY
Student Services Consolidation

Authority: Chapter 208/04, Item 6870-301-6041 (52)

a. Approve preliminary plans

APPROVED:
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 4

San Mateo County Community College District
College of San Mateo, San Mateo County
Student Services Consolidation

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The authorized scope reconstructs 60,721 assignable square feet (asf) in a three building complex. The project in total will reconstruct 15,409 asf of office, 2,332 asf of Library, and 42,980 asf of other space. The goal of the project is to consolidate student services into a central location and thereby improve student transition onto the campus.

Funding and Project Cost Verification

The project is within cost.

\$16,132,000 total authorized project costs

\$10,053,000 state project costs to be allocated: construction \$9,790,000 (\$8,582,000 contracts; \$630,000 contingency; \$578,000 construction management, administration, testing and inspection) at CCI 4100 and equipment \$263,000 at EI 2649

\$529,000 local funds previously allocated: preliminary plans \$529,000 at CCI 4100

\$5,550,000 local funds to be allocated: working drawings \$518,000 and construction \$5,032,000 (\$4,527,000 contracts; \$288,000 contingency; and \$217,000 construction management, administration, testing and inspection) at CCI 4100

CEQA

A Categorical Exemption was filed with the State Clearinghouse (#2002078067) on July 3, 2002 and the response period has expired.

Due Diligence

Community college districts are local entities and the State does not have title to their real property, hence districts acknowledge that they have full responsibility for clearing due diligence issues for general obligation bond projects.

Project Schedule

The project schedule is as follows:

Complete working drawings: April 2005

Award contract: June 2005

Complete construction: May 2006

Staff Recommendation: Approve Preliminary Plans.

CONSENT ITEM

CONSENT ITEM – 5

CALIFORNIA COMMUNITY COLLEGES (6870)
STATE CENTER COMMUNITY COLLEGE DISTRICT
FRESNO CITY COLLEGE, FRESNO COUNTY
Student Services Building Remodel

Authority: Chapter 208/04, Item 6870-301-6041 (64)

a. **Approve preliminary plans**

APPROVED:
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 5

State Center Community College District
Fresno City College, Fresno County
Student Services Building Remodel

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The authorized scope remodels the Student Services Building resulting in the following assignable square feet (asf): 514 asf lecture; 16,485 asf office, 973 asf library, 384 asf meeting, 125 asf data processing, and 1,129 asf other. The project scope also includes: updating building systems and infrastructure: modifying restrooms for access compliance; asbestos abatement; and reconfiguring spaces.

Funding and Project Cost Verification

The project is within cost.

\$3,657,000 total authorized project costs

\$3,657,000 total estimated project costs

\$3,519,000 state project costs to be allocated: working drawings \$183,000; construction \$3,336,000 (\$2,884,000 contracts; \$202,000 contingency; \$250,000 construction management, administration, testing and inspection) at CCI 4019

\$138,000 state project costs previously allocated: preliminary plans \$138,000

CEQA

A Categorical Exemption was filed with the State Clearinghouse (#2004128340) on December 23, 2004 and the response period has expired.

Due Diligence

Community college districts are local entities and the State does not have title to their real property, hence districts acknowledge that they have full responsibility for clearing due diligence issues for general obligation bond projects.

Project Schedule

The project schedule is as follows:

Complete working drawings: January 2006

Award contract: February 2006

Complete construction: April 2007

Staff Recommendation: Approve Preliminary Plans.

CONSENT ITEM

CONSENT ITEM – 6

CALIFORNIA COMMUNITY COLLEGES (6870)
VENTURA COUNTY COMMUNITY COLLEGE DISTRICT
OXNARD COLLEGE, VENTURA COUNTY
Warehouse Replacement

Authority: Chapter 208/04, Item 6870-301-6028 (15)

a. **Approve preliminary plans**

APPROVED:
3/0

CONSENT ITEM

STAFF ANALYSIS ITEM – 6

Ventura County Community College District
Oxnard College, Ventura County
Warehouse Replacement

Action Requested

The requested action will approve preliminary plans for this project.

Scope Description

This project is within scope. The project constructs a 16,275 assignable square feet (asf) commercial metal building for use as a warehouse building with 900 asf office and 15,375 asf other space.

Funding and Project Cost Verification

This project is within cost.

\$1,947,000 total authorized project costs

\$1,947,000 total estimated project costs

\$1,887,000 state project costs to be allocated: working drawings \$65,000, construction \$1,697,000 (\$1,434,000 contracts, \$72,000 contingency and \$191,000 tests and inspections, architectural oversight during construction) at CCI 4100 for working drawings and CCI 4328 for construction cost; and equipment \$125,000 EPI 2649

\$60,000 state fund project costs previously allocated: preliminary plans, \$60,000 at CCI 4100

CEQA

An Environmental Impact Report (#2003031019) was filed with the State Clearinghouse on March 25, 2004 and the review period has expired.

Due Diligence

Community college districts are local entities and the State does not have title to their real property, hence districts acknowledge that they have full responsibility for clearing due diligence issues for general obligation bond projects.

Project Schedule

The project schedule is as follows:

Complete working drawings: August 2005

Award contract: November 2005

Complete construction: March 2006

Staff Recommendation: Approve Preliminary Plans.

OTHER BUSINESS

OTHER ITEM –

No Other Business.

REPORTABLES

To be presented at meeting.

Respectfully Submitted
By:

KAREN FINN
Administrative Secretary